

The Future of HIGHER EDUCATION



Declining Applications Are Just a Symptom of a Larger Issue:
The Mismatch Between Higher Ed and Career Readiness



Is your school meeting the needs of your students?

As colleges are seeing historic drops in applications for undergraduate students, fewer international students returning after the pandemic, and more students transferring mid-degree, the answer to this question is fundamental to future growth.

With students expecting reductions in tuition due to a hybrid format and smaller budgets to develop new programs or market existing ones, being strategic is crucial. All of these alarming trends, though, are really just exacerbating a longer-term, underlying problem with higher education. One that, left unaddressed, could undermine future prospects.

Most higher education institutions have missed the most important aspect of attracting and retaining students: making the ROI of getting a degree irresistible.

What is it students are looking for? Studies have shown that more than [80% of students](#) expect their education to facilitate getting a job—a sentiment that has only grown during the recent economic downturn. Yet, there's growing skepticism that a four-year degree is enough to achieve financial security, or even to improve graduates' economic outlook if they have to take on substantial debt to achieve it.

APPLICANTS EMPHASIZING CAREER READINESS, ECONOMIC OPPORTUNITY, AND FINANCIAL SECURITY

A recent survey from Gallup revealed that only [41%](#) of college-aged participants agreed that a college education was “very important.” This is a drop of 50% in just 6 years. [Another study](#) from Strada Education Network found that while the majority of students still feel a college degree will help them get a better job, the number of students agreeing with that dropped 25% in just the last few years.

Related to these trends is growing discussion around a skills gap and the concern that a four-year degree alone is not enough to prepare graduates for the workforce. According to the [Brookings Institution](#), there is “a fundamental mismatch” between the skills that employers are looking for and the skills that recent graduates and job seekers possess. This mismatch is readily apparent when graduates look for a job: Only about [56%](#) of employers look at grades and an applicant's GPA when screening applicants. They look, instead, at job-related competencies such as communication, leadership, and problem-solving.

Schools that offer more options for education, targeted skills, and recognized credentials not only improve student outcomes and post-graduation employment rates, but they also **attract more students.**

BUCK THE TRENDS

Here are five of the top strategies schools are using to get an edge:

- 1 Differentiate your university with industry-recognized credentials.** As learners turn away from education for the sake of education toward a career-oriented learning path, non-credit and non-traditional, short-term credentials have increased in popularity. There's a strong and sustained [interest in skills-based credentials](#) that are closely tied to career paths. [Online programs](#) also saw a jump during the pandemic that is projected to remain popular as an affordable and flexible option. [Reports](#) also show an increase in demand for non-degree programs that is predicted to last the next few years, with as many as [50%](#) of students reporting they are looking to advance their career credentials. These shorter programs also help students skill-up in rapidly changing fields like technology, manufacturing, and business.
- 2 Partner with trusted organizations to develop academically vetted curriculum.** "Why burn out staff trying to develop a full-blown curriculum when you can find a trusted partner to help you deliver rigorously vetted materials in a variety of formats—from instructor-led, to live online, to hybrid or self-directed models," asks KC Blonski, SVP of Corporate Learning at American Management Association (AMA). "This is one of the reasons our higher-education partners value working with us. We're a non-profit too, so we are not pushing a particular model. We've curated industry best practices and theories, and, through thoughtful design, created a turnkey curriculum that develops real-world skills. Our partners often use our Body of Knowledge as a syllabus, as it helps add structure to building up core competencies needed in the workplace. Really, it's the perfect complement to the work they do, because it helps translate theory into practice."
- 3 Attract non-traditional and underserved learners.** Four-year institutions saw a [13%](#) drop in enrollment in 2020, and public 2-year schools dropped nearly [23%](#). While demographics and disruption from the pandemic account for some of this, it's really part of a larger, more telling trend: Enrollment, particularly of "traditional" learners, has persistently declined in the last 10 years. To counter this, schools must adequately meet the needs of non-traditional and underserved learners. This includes offering learning in different modalities, such as hybrid, in person, or live online.
- 4 Meet the shifting priorities of learners.** The majority of students today lead complex lives where they are juggling work, care-giving, or other conflicting demands that make graduating in four years difficult. Witness the [36 million Americans who left college](#) without a credential. Add onto that financial strain, compounded during the pandemic, which has led [more than a third of students](#) to delay or change their education plans. These students are looking for shorter, skills-based, flexible, and affordable education that will lead them toward higher income. They are willing to invest in learning when they see a solid path toward increased financial gain.
- 5 Improve career outcomes for students.** Colleges and universities are under increased pressure to make transparent post-graduation employment rates, average starting salaries of specific majors, debt-to-income ratios of students, and other key statistics designed to help students determine the value of their education. Student loan forgiveness will only increase this scrutiny. This, in turn, is changing public sentiment on costs of education. Institutions that tailor their learning paths toward gaps in the marketplace improve student outcomes, particularly when they can point to higher income post-graduation.



WANT MORE STUDENTS? OFFER A CREDENTIAL TIED TO HIGHER INCOME

In the United States, there are about 24 million managers and supervisors, or approximately 1 manager for every 5 employees. While that's only about 17% of the workforce, they receive substantially more pay than the average worker. Thirty percent of compensation in organizations goes to managers.

"If you think about that," says Blonski, "that's a substantial amount of money organizations are spending on managers who have little to no training. In fact, 58% report not receiving any training at all. It's no wonder, then, that experts estimate the U.S. wastes a trillion dollars annually due to inefficient management. These managers are hungry for training and development, just as organizations are struggling to find talent that can fill those roles."

AMA has been working with organizations to improve both business acumen and soft skills of employees for more than 100 years. In the last 10 years, there's been phenomenal growth in demand for soft skills and analytical skills. This is in part due to larger trends like the digital transformation and the war for talent, but this need for particular competencies has sharpened in the shadow of The Great Resignation.

"Organizations are struggling to fill talent gaps in particular in management and leadership roles, with qualified applicants," says Blonski. "We've responded to that demand by developing the *AMA Certified Professional in Management™* credential."

The *AMA Certified Professional in Management (AMA-CPM™)* is an industry-recognized management credential. In establishing this certification, AMA helps organizations hire the most qualified talent and gives individuals a set of recognized criteria to validate their qualifications and advance their careers. The framework is the set of competencies and specific skills outlined in *The Management Body of Knowledge* and has oversight by an objective advisory board.



Areas of knowledge include:

-  **Professional effectiveness** competencies including communication, emotional intelligence, and presentation skills.
-  **Relationship management** competencies such as conflict management, motivation, coaching, delegation and managing change.
-  **Business acumen** from managing projects to financial acumen, customer focus, and talent management.
-  **Analytical intelligence** including critical thinking and mastering data.

These competencies also match up with career-ready competencies identified by the [National Association of Colleges and Employers \(NACE\)](#), and studies demonstrate they are highly in demand.

“Certification offers schools a quick and easy way to scale up their program to meet community needs without putting a lot of resources behind developing the program from scratch.”

According to a [2021 study by NACE](#), the top things employers looked for when screening applicants are evidence of problem-solving, communications, leadership, and technical skills. In addition, 84% of professionals agree that having managers certified would increase efficiency in management, which in turn would improve the profitability of organizations. Certification through an independent organization, such as AMA, helps validate managerial competence, giving students a competitive advantage.

Management certification has the added benefit of being applicable to any career track. Unlike other certifications, management and leadership skills are not unique to a particular field. These skills are in demand across all industries, making it a valuable credential for all students. It's also the skillset required to reach higher income brackets.

6 CREATIVE WAYS UNIVERSITIES ARE USING CERTIFICATIONS TO MEET COMMUNITY NEEDS

Certifications are extremely flexible, and higher education organizations can use them interwoven into their own programs, or as a stand-alone offering.

For example:

1. Graduate schools offer certification with an industry-recognized credential as part of their degree.
2. Some schools offer certification courses as part of continuing education.
3. Certification enriches community outreach programs.
4. Diversity and Inclusion programs use certification to upgrade Women's Leadership programs and to promote equity in skills and economic opportunity.
5. Schools looking to improve internal administration offer certification as part of faculty education.
6. Certification also attracts international students and alumni who want additional, international recognition for their professional competencies.

AMA-CPM CURRICULUM IS RIGOROUSLY VETTED (BECAUSE WE'RE A NON-PROFIT TOO)

AMA is, and has always been, a non-profit entity. *The Management Body of Knowledge* and curriculum are based on industry best practices, not on a "talking head." We put the framework of the program through rigorous academic vetting, and through thoughtful design, incorporated practical applications, so students translate the theory into functional knowledge and confidence.

Not only is the AMA-CPM an industry-recognized credential, AMA is also an authorized provider of Continuing Education Units (CEUs) and related credits from professional associations worldwide.

Amplify your reach: Personalize AMA curriculum to integrate within your program to develop a more skilled workforce that is ready to start work with less on-the-job training—and focus on the areas of learning that corporations are prioritizing.

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